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May 26, 2009

VIA ELECTRONIC-DELIVERY

Charles L.A. Terreni
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Progress Energy Carolinas, Incorporated's Motion for Partial Waiver of Commission Rules 103-331 and 103-336
Docket No. 2009-168-E

Dear Mr. Terreni:

The Office of Regulatory Staff ("ORS") has reviewed the above-referenced filing and has no objection to Progress Energy Carolinas, Incorporated's ("Company") request for partial waiver of Commission Rules 103-331 and 103-336. These regulations address deposit requirements for new and existing nonresidential customers and deposit retention, respectively. The Company proposes to use the same basic criteria to determine applicability as the Commission approved for a similar request for Duke Power in 2004. This program is intended to assist in minimizing the Company's uncollectibles from at-risk non-residential customer accounts through application of a program that makes payment of the account more financially secure. In addition, any customer who feels aggrieved by implementation of this program will continue to have the optional safeguard of bringing its concerns to the attention of the ORS Consumer Services Department as well as to the Commission.

Thank you for the opportunity to provide comments in this matter.

Sincerely,

John W. Flitter

JWF/swh

cc: Dan F. Arnett, Chief of Staff, SC ORS
Nanette S. Edwards, Chief Counsel and Director of Legal Services, SC ORS
Shealy Boland Reibold, Esquire, SC ORS
Len S. Anthony, General Counsel – Regulatory Affairs, Progress Energy Carolinas
Dr. James Spearman, Executive Assistant, SC PSC